

# **Exhibit 23**



Print

## Exclusive Interview

# Business & Finance

## Beny Steinmetz reveals all cards

**World's richest Israeli breaks years-long silence, opening up about allegations of bribery in Guinea to get concessions, rivalry with American tycoon George Soros, running away from media, complicated relations with birth country**  
Tsach Shpitsen

"Am I an Israeli?" Beny Steinmetz wonders out loud. "That's a good question."



Beny Steinmetz  
Photo: Sivan Farag

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Sitting at the table, speaking in a swift flow of Hebrew and heavily-accented English, Beny Steinmetz seems as Israeli as falafel. His gaunt, jeans-clad visage and his direct and often impatient talk do not betray his immense wealth.

But the occasional offhand way in which he talks about billion-dollar deals in exotic countries and his personal acquaintance with African rulers hint at his ranking at the top of the world's wealthiest individuals.

Considered the richest Israeli in the world, Steinmetz's shying from the public eye has shrouded him in mystery, deepened even more by the nature and location of most of his dealings, which stretch from Sierra Leone to Kosovo.

Unlike fellow tycoon Lev Leviev, who often deigns to expound on his business with the media, Steinmetz keeps to behind the scenes, even while leaping between his Israeli estates to his businesses worldwide.

## Alleged Corruption

### US arrests man linked to Israeli tycoon in Africa graft probe / Reuters

Beny Steinmetz' rep in Guinea charged with obstructing investigation into potential illegal payments made to obtain mining concessions in West African country

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Unlike Leviev, avoids talking to media (Photo: Zvika Tishler)

It is during his current leap to Israel, for the purpose of visiting his son who serves in an infantry regiment in the IDF, that Steinmetz has uncharacteristically agreed to this interview, one of the few interviews he has given in his life.

This irregular decision to break his long silence was not without motive. Steinmetz and his company, BSGR (Beny Steinmetz Group Resources), are currently embroiled in an alleged corruption affair in Guinea, Africa, and the taciturn tycoon is anxious to defend his and his company's good name.

According to suspicions, BSGR, a mega-corporation involved in resource mining, including diamonds, gold and iron, bribed top government officials to receive prospecting concessions in the poor African country.

One of BSGR's Guinea partners is currently standing trial in the US, and the affair is closely followed by the world's economic media.

Therefore, the media-shy Steinmetz is now haunted by his name, and his photograph appears next to snappy headlines on corruption in Africa, in an affair in which every detail is closely scrutinized and reported.

<https://www.ynetnews.com/Ext/Comp/ArticleLayout/CdaArticlePrintPreview/0,2506,L-4398445,00.html>

To this interview he arrived without an entourage, accompanied only by the Dutch CEO of BSGR, and without preconditions, armed only with his convictions.

At the outset, Steinmetz clarified that he was not adept with the details of the affair ("I don't get down to the ground much in Guinea"), but as the conversation progressed he exhibited an impressive familiarity with every aspect and document related to the affair.

It's clear he is troubled. "I was dragged into an insane situation," he says, "and I want to paint a clearer picture."

### **'Middle-class must be taken care of'**

Steinmetz, 57, was born in Netanya. His father was one of Israel's pioneers in the diamond industry, and his son promptly followed in his footsteps after his army service.

Today, 36 years later, he runs a diamond and iron mining empire, and deals in real estate, gas and oil, as well.

His company, BSGR, has a unique corporate structure: It's controlled by a trust fund, of which Steinmetz is a beneficiary. Thus, he does not fill any official role and is "uninvolved," he claims, in the corporation's management.

He prefers to call himself an "advisor" or "emissary" for the group. "I don't make decisions in BSGR," he reiterates. "The group works in many countries and has a very varied activity. I'm not involved in all the activities, but only advise in those I can contribute of myself and of my connections."

The question of Steinmetz's ownership over BSGR, as well as the issue of his Israeli citizenship, has been making the Israeli Tax Authority (ITA) busy over recent years.

According to the ITA, Steinmetz has devised an exceptionally creative tax construction for the corporation, thanks to which he pays too low rates; but Steinmetz claims his tax plan is completely legitimate and stands to all trust fund taxation laws.

### **Unrelated to taxation, do you define yourself as Israeli?**

"I was born here, I went to the army here. My children grew up and went to the army here. I feel international-Israeli. I also have a French passport."

### **Why don't you leave Israel completely, especially in light of your dispute with the Tax Authority? You have your businesses in Switzerland. Live there.**

"I do live there. I don't live here."

### **But you still have a home in the community of Arsuf.**

"What does that have to do with it? I don't have businesses in Israel. My businesses here were no great success. I love this country like any Israeli, but that doesn't matter. There are many Israelis who live abroad and love the country."

### **Are you emotionally connected to Israel? Do you care what happens here?**

"Of course I care, but I don't read Israeli newspapers regularly."

### **Do you vote?**

"No. I don't have an Israeli driver's license or an Israeli ID card."

### **What do you think about the Israeli anti-tycoon wave?**

"I'm not involved. I think it's unnecessary, that it's a shame. I don't think capitalism has been exploited here, though I must say I'm not very familiar with the Israeli market. I don't live here and I'm not involved, but I think anything like hatred and populism isn't right."

"It isn't restricted to Israel, but happens in other countries too. I think success is a good thing, not bad, and I know that no one wants a situation here where big businessmen say, 'I've had enough with Israel. I'm going to invest abroad.' It's very bad for Israeli economy. Success isn't a bad thing."

**Nonetheless, isn't a change in priorities warranted?**

"Maybe the system needs an overhaul. Maybe more care should be taken with regard to the poor and the middle class, but hating the rich doesn't help. That's my opinion on the matter, but it's not very informed."

**'We were naïve'**

Steinmetz's Guinea adventure began in 2006. BSGR examined the African country – just as it does many other points on the globe – and decided to get into the picture. Guinea, a former French colony on western Africa, is one of the world's poorest nations. Despite the huge potential of its natural resources – including gold and iron – most of its nine million citizens are illiterate, and their life expectancy is below 50 years.

In 2006, BSGR bid and won two concessions to prospect for iron ore in eastern Guinea. They soon made an impressive discovery in a region called Zogota. "We were very excited," smiles Marc Struik, in charge of natural resources in the firm.

"We thought this is a very serious find. At the time, iron ores was a highly valued commodity, and we estimated there were billions of tons of high-quality iron ore. In the end it was much less, but still it's a very special find."

In 2008, Guinea saw a dramatic course of events: The government decided to take part of the mining concessions owned by the Rio Tinto company – an Australian mining giant which held the rights for 12 years – in an area called Simandou, one of the world's largest iron-ore deposits.

BSGR seized the opportunity, filed a request for the prospecting concessions in the area and on December 2008 outbid its competitors and won the coveted concession.

But the deal was crooked, say the firm's detractors: BSGR got the concessions for a paltry sum. They say the company paid nothing – except for ridiculously low tolls – for a huge golden egg, rare resources which belong to the destitute Guineans.

Steinmetz chuckled. "It's the same all around the world," he said. "It's exactly like no one pays anything to the State of Israel for the right to prospect for gas, but only royalties and taxes for the gas itself."

"When you sell a prospecting concession you're only selling potential. You pay tolls for the right to invest and look for something."

**How come you won the concession? There were other bidders.**

"We proved to them the company works fast, employs a lot of personnel, that we have engineering and financial capabilities and that we came to do business. The government had a lot of positive data on us."

In April 2010, less than two years after winning the concession, BSGR closed one of its largest deals, and inadvertently supplied its detractors with more ammunition: It partnered up with Brazilian mining giant Vale, which bought 51% of the Guinean project for a gargantuan \$2.5 billion – \$500 million of which Vale promptly anted up.

Not bad for BSGR's initial investment of only \$160 million, but also, according to Steinmetz, where the troubles began.

"The problem started probably because of grudge over the sale to Vale. People were saying the BSGR bought property for \$100 or \$200 million and sold it for \$5 billion. It's not true: It sold 10% for \$500 million with an option to rise to 51% for an addition \$2 billion."

Equipped with a cash-rich partner, Steinmetz's people continued to work vigorously at the promising Guinea project. But meanwhile, the country saw a regime-change: Incumbent President Alpha Condé was elected and with him the positive atmosphere the corporation enjoyed rapidly evaporated.



Guinea President Alpha Conde (Photo: AFP)

"At first we were glad about the elections," Steinmetz says bitterly. "We saw that the leader of the Junta which controlled the country relinquished his power with dignity, and we thought it was a good sign for the region's stability. We were naïve."

#### **Can you put your finger on the point in time where you think things started to go wrong?**

"I recall in 2011 the company held a ceremony, with Vale's CEO and former Brazilian President Lula da Silva in attendance. The Guinea project CEO approached me and said, 'Listen, son, there's something strange going on. They haven't invited BSGR to sit with Lula and the president, Alpha Condé."

"I was there as the company's emissary and I didn't think too much of it, but the CEO immediately realized something was wrong."

The second portent appeared two weeks later, when Alpha Condé unexpectedly halted BSGR's works on a train in Guinea, due to its commitment to develop infrastructure in the country as part of the concession deal.

"They said they want to cease the operations because the price is too high," Steinmetz said. "Do you understand how chaotic that place is? What do they care how much it costs; the company gave it for free! Moreover, it wasn't too expensive. After all, in charge of the operation was one of Brazil's largest construction firms, one of the largest in world, not some anonymous contractor."

"All of a sudden they started saying nonsense such as, 'The train is too narrow, we want it wider.'"

"There was another thing. There was a Vale dinner which I attended, in which Lula, who just finished his presidency, asked the Guinean president how he intended to get finance for his country."

"What did Alpha Condé answer? He said, 'I'll go to my friends – [Muammar Gaddafi](#), Ahmadinejad and [Hugo Chavez](#) – they'll help.' Do you understand what this is about? You must understand: In countries like Guinea, the president is everything. It's Alpha Condé."

#### **'It's utter garbage'**

The bomb exploded for BSGR on October 30, 2012 in the form of an official letter from a committee that examines contracts and concessions in the resources area in Guinea.

The committee was established by the new regime with the express purpose of investigating all the mining contracts signed between the state and private businesses.

Under the title "Accusations," the committee listed a long series of harsh allegations of corrupt conduct by BSGR.

Among others, the company was accused it had given precious gifts – including a miniature model of a diamond studded car – to Guinea's former mining minister, and paid a sum of \$2.5 million in cash to a woman named Mamadie Touré, who was romantically involved with President Condé.

The allegations painted a serious picture: BSGR's concessions to prospect for iron in Simandou and in other regions were allegedly obtained by corrupt means.

"This letter is a joke," Steinmetz raged. "All the committee members are the president's puppets. It's a ridiculous and deceitful report. All this nonsense that we gave away watches, cars."

#### **But you really did give a diamond-studded car.**

"It's true, the company gave a small model of a diamond-studded car in a formal ceremony, in front of a TV camera in the presence of dozens of people. It's a standard corporate gift by BSGR, worth \$1,000. In production costs it was \$700. We gave over 50 such gifts worldwide. Come on, isn't this a joke?"

**And the watch you gave former President Condé?**

"We never gave any watch. It's utter garbage."

**The committee noted a meeting that took place between you and former president Condé in a Geneva hospital, where he was hospitalized. They claim you went there to convince him to give you the concession.**

"I was never in a hospital in Geneva, never in my life. Even if you kill me, I wouldn't know how to get to a Geneva hospital. It's a joke."

This is where Frederic Cilins comes in, the man who will move the story from Guinea to New York. The Americans got involved in January 2013, after they became suspicious that sources within BSGR are involved in bribery in Guinea; apparently they suspected money laundering and questionable money transfers from Africa to the United States.

For the purpose of the investigation, the FBI enlisted Mamadie Touré, the president's lover.

Touré had numerous phone conversations with Frederic Cilins, a French citizen who was BSGR's partner on the Guinea project. In these talks, which Touré recorded for the FBI, Cilins is heard pleading with Touré to destroy documents which allegedly pertain to the bribery affair in Guinea, and promises her millions of dollars in return.

In April 2013, Cilins was arrested by the FBI in a Florida airport, and 10 days later an indictment was filed against him on charges of obstructing justice and incitement to perjury.

In one of the recording, the FBI claims, Cilins specifically names Beny Steinmetz. Following is a transcript, released here for the first time, of one of the phone conversations:

"I went especially to meet him (Steinmetz), and talk to him about all this in a very clear way. I told him last week: 'Touré will never betray you. Touré will never give the documents. He told me, 'That's fine, but I want you to go and see – I want you to destroy these documents.'" The American prosecutor also noted that Steinmetz and Cilins were very close.

**Do you know Frederic Cilins?**

"I met him three or four times, after the Vale deal was closed."

**The prosecutor said you were close.**

"Am I close with anyone? This is completely false data. Simply untrue. Anyway, I shouldn't discuss matters which are currently under investigation. I was not approached by anyone, it's all hearsay and someone is running a campaign."

**What's the explanation?**

"Let Cilins explain. He's in court. What there is are plenty of news reports, a lot of media and a lot of gossip. I'm not aware that there are any questions related to me or the company."

**Cilins claims Mamadie Touré tried to extort BSGR. Is that true?**

"I can tell you this: The company was the target of numerous extortion attempts. We never surrendered to these attempts. We buffeted them resolutely."

**In a letter sent to you by the Guinea committee it was claimed Mamadie Touré got \$2.5 million from you.**

But Steinmetz denies the allegation vehemently. "I'm not the issue here," he says. "The issue is that neither BSGR nor I did anything wrong, only good things. The company here is the victim, whose assets are the target of robbery. Let me tell you another thing: I've been working in this field for 36 years: The day after I was released from the army, in 1977, I boarded a plane and flew to Belgium. Since then I worked in over 50 countries, and we never had any problems. There were successes, there were failures, but we never appeared in court."

https://www.ynetnews.com/Ext/Comp/ArticleLayout/CdaArticlePrintPreview/0,2506,L-4398445,00.html

"There, even now, after this affair came about, no one came out and said that this happens to them as well with Steinmetz or with BSGR. If someone is a sexual predator, and someone brave enough testifies against him, usually other women come out and complain too. Not with us. There are no skeletons in the closet.

"The company doesn't pay anything to anyone, not one penny to politicians; we simply don't do this kind of things. This is a well-oiled, evil machine which operates against BSGR and me, run by the president and his associates."

### 'Wait, it's not over'

Steinmetz points two fingers on the Guinea affair. The first is directed at President Alpha Condé, who he calls "corrupt" and "obsessive." The second, more complex and fantastic, is directed toward billionaire [George Soros](#), the American tycoon who made his fortune on the currency exchange. His worth is estimated at \$14 billion, which ranks him among the world's richest men.

Soros has several fingers in the Guinea pie. Among others, he gave substantial donations to aid groups in the country. These groups, said associates of BSGR, took part in the change of public opinion against the corporation and stand behind the corruption allegations.

According to a Bloomberg report, Soros financed the first investigation against BSGR, which led to the committee's report.

"Soros hates us," says an associate of BSGR. "He thought for some reason that Beny mocked him when he lost money in Russia, even though it's not true. He's Alpha Condé's friend, and apart from that, he doesn't like Israel. He donates to a lot of pro-Palestinian groups."

Soros himself responded to the claims that he has a personal feud with Steinmetz in an interview with the Financial Times: "I have no business interest in the mining industry of Guinea and have no intention of acquiring any. I have not met Mr. Steinmetz nor have I ever spoken with him. I have no personal grudge against him."

### Soros is just trying to help the people of Guinea, isn't he? He makes contributions to organizations aiding the Guineans.

"Great help. If there wouldn't be business investments in Guinea, none of the citizens would benefit. Investors need to get rewarded for their investment, especially in unstable countries. Even Soros wants to make money when he's investing up against the Pound. To me it's capitalistic hypocrisy, it's nonsense. The social organizations tried to persuade Alpha Condé to issue a new mining bill; if under this law no one would invest, then what is it good for? How is it helping the people? All the major mining companies have left the country."

### So you're going against the social organizations?

"No. I'm sure that some of them are doing a great job, that's not the issue. What I'm saying is that Guinea has a corrupt leader, who has found a target that's easy to fight. He doesn't think we will fight back; perhaps he is inexperienced with Israelis. It is war, and I'm telling you we will win in."

### At this point it seems they are beating you.

"Who's beating us?!"

### Soros. The Guinean government. You are now under attack, and your reputation was damaged.

"Let's wait until the end. It's not over yet. They may have damaged mine and BSGR's reputation with their accusation campaign, but it's not over."

### Does it make you regret entering Guinea?

"In business you never regret. If I regret, I just sit at home all day and cry over the things I did or did not do. We are businessmen. We are fighters, we are at war and we will win. We will not give these concessions back."

### Meanwhile, the project in Guinea is stuck.

"That's right. Nothing will happen there in the next 10 years, and it's sad. BSGR came to Guinea, invested hundreds of millions of dollars. It could have been possible now to export iron ore after a \$10 billion investment. The whole region would bloom. One year of production would have doubled or tripled Guinea's GDP.

"What happened there is that a bad president came to power, and for his own personal reasons, he stopped the work. It's all agenda, politics, corruption and tales. The committee that was put together there is fraud; it's not like having a [Sheshinski](#) or a Tzemach Committee here, when you know their intentions are clean; these committees were not established to just get Tshuva. It's different in Guinea. It's simply African corruption at its worst, and the terrible thing here is that they mask it as carrying about Guinea."

**'Some would say I'm cold-hearted'**

**How much does this concern you? Is it an annoying background buzz or an urgent matter?**

"It's not urgent. I have 11,000 things to deal with. It's more of an annoying buzz. Although it is bad publicity. The company works all over the world, and up until today it had the best reputation possible. In a nutshell, it is a disturbing background buzzing. But it does not keep me up at night."

**Is there anything that does keep you up at night?**

"Of course. Everyone has something like that. I'm a family man, and my family is very important to me. But business does not keep me from sleeping."

**You didn't lose any sleep even after leaving the Isramco partnership just a moment before the natural gas in the [Tamar gas field](#) was found?**

"In retrospect it was a rough business error, but I have a long list of mistakes."

**Did your gut feeling mislead you?**

"Whoever only has good gut feelings is probably doing very little. I can tell you about a very long list of mistakes I have made, alongside many successes."

**You're not the emotional type.**

"I don't know how to answer that. It's hard for me to characterize myself. I think I'm balanced. Some people might say I'm cold-hearted."

**And hate the media. And avoid interviews.**

"That's right. I have no interest in it. It's not because I'm shy or scared, it's just not my style. I don't need it. It angers me that a timed, planned and paid smearing campaign is run against me in the press. We will fight it and we have already won the lawsuit we filed in London."



**Idan Ofer, Steinmetz's opponent for world's richest Israeli (Photo: Yaron Brenner)**

**Isn't it important for business, to keep in touch with the media?**

"Not for my business. I was almost never interviewed. The media does not set anything, and the truth is that I don't really care what everyone thinks."

**The international media, by the way, has yet to determine whether you or [Idan Ofer](#) win the title of the richest Israeli in the world.**

"That's nonsense."

**With all honesty, how much is money important to you?**



"I care about my family and I care about the interest, the challenge and the doing. Money is secondary, but of course I have a great privilege to say that."

### **'There are enough anti-Semitic businessmen'**

"I would want you to know everything, from A to Z. The whole case is slander. It's all nonsense, but unfortunately there's a legal procedure and I can't respond to everything" is what the Israeli businessman Michael Noy claims from France, after his name has also been mentioned in this affair.

Noy and Frederic Cilins were business partners in 2006-2008 in BSGR Guinea, and according to the FBI, Noy was involved in an attempt to destroy Mamadie Touré's documents. In a recording that is first revealed here, Noy is heard speaking with Cilins.

**Noy:** "Did she agree to give you everything?" (The FBI claims he is referring to the documents)

**Cilins:** "Yes. It's done."

**Noy:** Really?

**Cilins:** "Yes. I now have everything that was on one side and will have the rest Saturday night."

**Noy:** "That's good. But I believe... that Touré should leave."

In another recording, Cilins is heard reporting to Noy that Touré has signed a statement (which was false according to the FBI) in which she had no contact with BSGR. In that same conversation, Cilins reports to Noy that Touré also told him that the US authorities are interested in a compromise.

Noy sounds interested in what Touré said to the authorities and how the meeting ended. Cilins responds to his questions and afterwards is heard saying: "We shouldn't talk so much on the phone."

"I cannot refer to the content of the recordings because it is under investigation," Noy explains, "but many of the quotes in the transcripts are not in the recordings. There's talk that's half French and half African."

"It is also unclear from the recordings which documents they're talking about and why they started recording only in March, and what happened in the entire year that had passed from when we spoke with her and her representatives and found out they were spreading fake paperwork?"

### **Are you claiming that Touré is the one who tried to extort you?**

"There were several instances in the past year in which she or other representatives approached with the papers to BSGR and requested that they pay fees. Even though we have no relation with BSGR since 2008, they turned to us to help them get out of this mess."

"At least 10 people claim they brought on the deal and deserve to get money but that's how it is when you get to Africa. They tell you that there are 10 people waiting for you downstairs and you don't understand because you didn't make appointment with anyone and all these people come and say they want to be your partners. One sells you a forest; the other sells you a mine that doesn't belong to him. That's how it works and it's not because they're bad or deceitful. They're innocent and that's how it works."

Noy, 62, turned to the global commodity market at the age of 36. He exported luxury goods, including perfumes, from France to Russia. After that he tried selling medicine to Russia and China. In the mid '90s he met Cilins, and the two formed a company called CW FRANCE. According to him, the company mainly dealt with selling medicine to Africa.

"We even sold medicine to the Defense Ministry," Noy claims. "We saved hundreds of thousands of dollars to the State."

### **How did you get to work in Guinea?**

"We sold drugs all over Africa, not just Guinea. Guinea is a pretty small market of ours. We worked in Uganda, Kenya and Congo."

### **And how did you reach a deal with BSGR?**

"It was entirely a coincidence since we knew their general manager at the time, Roy Oron, from a previous job in South Africa. Oron asked us whether we work in Guinea and was mainly interested in the area of Simandou."

### **So you were actually the ones to make the connection with Guinea?**

"Yes, you could say that."

**What about the allegation that they gave bribes for concessions?**

"BSGR did not pay a dime. At first they didn't want this business. I pushed them to take it and they did not pay one dime for this contract. They took on a great risk. They did not receive inheritances or gifts. They worked in places no normal person would go to."

**But the recordings have Cilins talking about Steinmetz and his awareness of the document shredding.**

"There's just bashing Beny without knowing. I know how they got the concessions. I know that where they invested \$200 million where you wouldn't even invest \$10. When he said I should invest I told him to do it on his own, I won't put \$5 in that place. It's madness. It's all nonsense."

**The FBI claims that in a strange coincidence, you embarked on a cruise from the US two days after Cilins' arrest?**

"I, Cilins and Avi Lev Ran (another business partner of the two in BSGR Guinea) had to leave two days after the arrest. I was supposed to go on a cruise to Europe that had been planned three and a half weeks ahead of time. Lev Ran had planned on going on a plane that was booked three weeks in advance, and I intentionally did not want to change anything so that no one would think we were running away. We left as planned."

**What do you have to say to those writing about this story?**

"Do not destroy the Israeli reputation. There are enough anti-Semitic businessmen and anti-Israelis who are trying to ruin and make problems for Israeli companies. In this story, 99.9% of what you hear is nonsense."

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